

# Memorandum



**Date:** October 2, 2007

**To:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**From:** George M. Burgess  
County Manager

**Subject:** Status Report on Opa-Locka Public Housing Development Disposition

Agenda Item No. 12(B)5

The following is an update on the disposition of 26 public housing units located within the Opa-Locka Public Housing Development (Opa-Locka development) site.

## Background

The Board of County Commissioners (BCC) approved Resolution R-999-05, which authorized the County Manager to submit an application to U.S. Department of Housing and Urban Development (US HUD) for the disposition of the Opa-Locka development in order to rehabilitate the 26 public housing units in order to provide homeownership opportunities to eligible low income families. This homeownership plan can only be achieved if U.S. HUD approves the disposition application, and U.S. HUD releases the property from the Declaration of Trust which is recorded against each public housing development, and the Annual Contributions Contract.

On October 17, 2005, the County, through Miami-Dade Housing Agency (MDHA), submitted an application for a Section 32 Homeownership Plan (Section 32 Plan) to US HUD, which was preliminarily approved by US HUD on April 17, 2006. The approval is conditioned on the County executing a Section 32 Implementing Agreement, which was transmitted for U.S. HUD's review and approval on July 27, 2006.

To date, US HUD has not returned an executed Agreement, delaying the County's ability to proceed with the required renovations and eventual sale of the public housing units. MDHA has been in contact with both the US HUD field office in Miami and the Special Applications Center (SAC) in Chicago, which is responsible for reviewing and approving disposition projects. US HUD has advised MDHA that the Agreement and other documents could not be located in either the field office or the SAC.

## Revised Strategy for Homeownership Units


In May 2007, a revised strategy was envisioned to address the redevelopment of the property. In order to continue the successful efforts in providing homeownership opportunities to former Scott-Carver families, it was determined that the County should utilize a strategy similar to the one that was successful in moving Phase 1 of the Scott-Carver redevelopment project forward. It is contemplated that a not-for-profit entity, would either renovate, or demolish and rebuild the Opa-Locka development units for eventual sale to former Scott-Carver residents and other public housing residents, without any additional costs, if any, to the County.

After discussions with US HUD concerning the change in approach, and under advisement of the SAC, MDHA requested to rescind its original Section 32 Plan and the County will re-submit a Section 18 disposition request to US HUD. The Section 18 disposition request would permit the conveyance of the development to a non-profit entity through a ground lease, which will protect the County's interest in the land until the sale of the homes to eligible low income families by the non-profit entity. In other words, the County would convey the land to the homebuyer only at the time of the sale of the homes.

Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners  
Page 2

The SAC has verbally concurred with the new plan to dispose of the site to a 501(c)3 and upon US HUD's rescission of the Section 32 Plan, MDHA will submit a Section 18 disposition request which complies with the existing authorization under R-999-05.

Following the approval of the Section 18 disposition application, MDHA will present an item for Board consideration to convey the Opa-Locka development property and to execute the ground lease with the not-for-profit entity chosen by the County.

  
Cynthia W. Curry  
Senior Advisor to the County Manager